



## **MTN position statement**

### **Responsible Supply Chain**

#### **Introduction**

MTN strives to conduct its business in a way that supports the long-term sustainability of the societies in which we operate. To meet this objective, we work with suppliers and partners who share our commitment to create shared value through responsible environment, social and governance practices.

#### **Ensuring adherence to our Supply Chain Code of Conduct**

- MTN manages its group supplier base through a rigorous end-to-end supplier management framework, which includes the identifying vendors, onboarding, due diligence and performance management. Non-performing suppliers are given an opportunity and the necessary support to improve their performance.
- Suppliers are blacklisted when there is an issue of fraud or unethical behaviour, or do not improve their performance following their initial grey listing warning.
- All Suppliers, new and existing, are made aware of our zero-tolerance approach to bribery, fraud and corruption and they are regularly reminded of our policies throughout the year.
- Our suppliers are required to adhere to Code of Conduct as part of their agreement with MTN. Only upon passing our due diligence process and signing the supplier code of conduct, can suppliers participate in sourcing events through MTN's online sourcing platform.
- During onboarding of new suppliers and annual due diligence for existing suppliers, self-declaration of compliance towards environmental, social, and governance standards is required by all suppliers.
- MTN conducts health checks through online questionnaires covering these critical areas.

#### **Membership to recognised supply chain initiative**

- MTN is a member of the Joint Audit Cooperation (JAC) and the Global e-sustainability initiative (GeSI), two globally recognised industry bodies committed to promoting technologies and practices that foster environmental, social and governance sustainability. These bodies cover 90% of our existing Group supplier base.
- Not many telcos – particularly pan-African telcos – are members of both JAC and GeSI. In being members of both organisations, MTN will ensure ethical, sustainable, environmentally responsible supply chain partners.
- Membership to these organisations will enable MTN to:
  - Conduct gap assessments and tracking of open items
  - Conduct desktop and physical ESG audits
  - Supplier training and capacity building
  - Supplier mentoring, secondments, or supporting suppliers through sharing best practice
  - Conducting and reviewing supplier monitoring, audits and results
  - Join collaboration initiatives with other members on a number of ESG topics

MTN senior management participates in the governing bodies of both JAC and GeSi.